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ORIGINAL

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EXECUTIVE SECRETARY

ARIZONA CORPORATION COMMISSION

RECEIVED

2002 FEB -4 P 3: 15

February 4, 2002

AZ CORP COMMISSION  
DOCUMENT CONTROL

Mark Wilson, Esq.  
Assistant Attorney General  
Office of the Attorney General  
1275 West Washington Street  
Phoenix, AZ 85007-2997

RE: IN THE MATTER OF THE PROPOSED AMENDMENTS TO R14-2-106  
REGARDING COMMISSION COLOR CODE TO IDENTIFY LOCATION OF  
UNDERGROUND FACILITIES  
Docket No. RG00000A-00-0683

Dear Mr. Wilson:

On November 6, 2001, I forwarded to you, on behalf of the Attorney General, the Commission's Notice of Final Rulemaking regarding proposed amendments to A.A.C. R14-2-106. A copy of the Notice is enclosed for your convenience. As the sixty day period for Attorney General review of the amendments under A.R.S. § 41-1044 has expired, please advise on the status of your review. The amendment merely adds an additional color code to the long-established framework of R14-2-106. If you have any questions, or if I can be of any assistance in your review, please do not hesitate to contact me at 602.542.3402.

Very truly yours,

Timothy J. Sabo  
Attorney, Legal Division

Arizona Corporation Commission

DOCKETED

FEB 04 2002

TJS:daa  
enclosure

cc: Terry Fronterhouse, Chief, Pipeline Safety Section  
Arizona Corporation Commission Docket Control (with 10 copies)

|             |  |
|-------------|--|
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|-------------|--|

AGENCY RECEIPT

NOTICE OF FINAL RULEMAKING

1. Agency name: Arizona Corporation Commission
2. The Subchapters, if applicable; the Articles; the Parts, if applicable; and the Sections involved in the rulemaking, listed in alphabetical and numerical order:

Subchapters, Articles, Parts, and Sections

Action

Article 1. General Provisions

R14-2-106

Amend.

## AGENCY CERTIFICATE

1. Agency name: Arizona Corporation Commission
2. Chapter heading: Corporation Commission – Fixed Utilities
3. Code citation for the Chapter: 14 A.C.C. 2
4. The Subchapters, if applicable; the Articles; the Parts, if applicable; and the Sections involved in the rulemaking, listed in alphabetical and numerical order:

Subchapters, Articles, Parts, and Sections

Action:

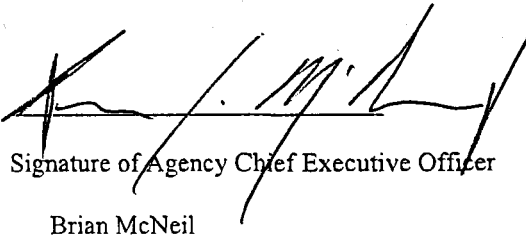
Article 1. General Provisions

R14-2-106.

Amend.

5. The rules contained in this package are true and correct as (prepared, adopted, etc.).

6.

  
Signature of Agency Chief Executive Officer

Brian McNeil

Printed or typed name of signer

2 Nov 01

Date of signing

Executive Secretary

Title of signer

7. No changes have been made to these rules since the Governor's Regulatory Review Council approved the rules. (This statement need only appear when the rules being submitted are final rules or summary rules approved by the council.).

Note: These rules are exempt from Governor's Regulatory Review Council review under A.R.S. § 41-1044.

NOTICE OF FINAL RULEMAKING  
TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND  
ASSOCIATIONS; SECURITIES REGULATION  
CHAPTER 2. CORPORATION COMMISSION – FIXED UTILITIES

PREAMBLE

1. Sections Affected                      Rulemaking Action  
  
Article 1. General Provisions.  
  
R14-2-106.                      Amend.
2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):  
  
Authorizing statute: A.R.S. §§40-202, 40-203, 40-321, and 40-441.  
  
Constitutional authority: Arizona Constitution, Article XV  
  
Implementing statute: Not applicable
3. The effective date of the rules:  
  
These rules are immediately effective. Decision No. 64183 provided that “this Decision shall become effective immediately” (Decision at 4). Decision 64183 was signed by the Commissioners on October 30, 2001.
4. A list of all previous notices appearing in the Register addressing the final rule:  
  
Notice of Rulemaking Docket Opening: 7 A.A.R. 675, February 2, 2001  
  
Notice of Proposed Rulemaking: 7 A.A.R. 616, February 2, 2001  
  
Notice of Public Hearing on Proposed Rulemaking: 7 A.A.R. 2088, May 18, 2001
5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:  
  
Name: Timothy J. Sabo, Attorney, Legal Division  
  
Address: Corporation Commission  
  
1200 West Washington Street  
  
Phoenix, Arizona 85007  
  
Telephone Number: (602) 542-3402  
  
Fax Number: (602) 542-4870

6. An explanation of the rule, including the agency's reasons for initiating the rule:

The proposed amended Arizona Corporation Commission Pipeline Safety Rules ("Rules") will update the Rules by incorporating by reference the most national industry standards and practices for marking reclaimed water systems. The proposed revision includes the color purple for reclaimed water systems as a separate, distinguishable underground facility to be marked in compliance with state laws.

The Commission believes that through the adoption and incorporating of R14-2-106, the rules will be consistent with recent national industry standards and will enhance public safety which will be in the best interest of all citizens in the State of Arizona.

7. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

None.

8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

In March 2000, the City of Tucson, Tucson Water Department submitted a formal request to the Corporation Commission Safety Division on behalf of Arizona Blue Stake, industry companies and public service corporations, to amend the color code for marking underground facilities. The request followed two years of conferencing to determine the best preventive means of reducing the possibilities of cross-connecting drinkable water systems with reclaimed water systems.

In April of 1999, the American Public Works Association (APWA) approved the color purple for identification of reclaimed water. The Office of Pipeline Safety has reviewed the matter and finds substantial evidence of statewide and industry support. The Commission Staff believes it would be in the best interest and safety of the public to initiate this rulemaking proceeding.

9. The summary of the economic, small business, and consumer impact:

Small Business Subject to the Rules: The amended rule will have no effect upon consumers or users of the underground utilities being provided by regulated public utilities as they presently are required to be in compliance with all standards, but, this will benefit consumers, users and the general public by additional clarification of underground water systems.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

No changes were made between the proposed rules and final rules.

11. A summary of the principal comments and the agency response to them:

No comments were made by members of the public at the public comment hearing July 5, 2001  
or at the Open Meeting October 23, 2001.

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

- ~~13. Incorporations by reference and their location in the rules:~~

None

14. Was this rule previously adopted as an emergency rule?

No

If so, please indicate the Register citation:

\_\_\_\_\_ A.A.R. \_\_\_\_\_, \_\_\_\_\_

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15. The full text of the rules follows:

TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND  
ASSOCIATIONS; SECURITIES REGULATION

CHAPTER 2. CORPORATION COMMISSION – FIXED UTILITIES

ARTICLE 1. GENERAL PROVISIONS

- R14-2-101. Accident Reports
- R14-2-102. Treatment of Depreciation
- R14-2-103. Defining Filing Requirements in Support of a Request by a public Service Corporation Doing Business in Arizona for a Determination of the Value of Property of the Corporation and of the Rate of Return Thereon, or in Support of Proposed Increased Rates or Charges
- R14-2-104. Inspection of Annual Reports
- R14-2-105. Notice of rate hearings
- R14-2-106. Commission Color Code to Identify Location of Underground Facilities

- A. If the location of an underground facility is marked with stakes, paint or in some customary manner pursuant to A.R.S. § 40-360.21.13, the facility owner will use the following color code:

| <u>Facility Type</u>                                                                                                     | <u>Specific Color</u>                 |
|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Electric Power Distribution and Transmission.                                                                            | Safety Red                            |
| Gas Distribution and Transmission; Oil Products<br>Distribution and Transmission; Dangerous Materials,<br>Product Lines. | High Visibility Safety Yellow         |
| Telephone and Telegraph System;<br>Cable Television.                                                                     | Safety Alert Orange                   |
| Fiber Optics Communication Lines.                                                                                        | The Letter "F" in Safety Alert Orange |

Water Systems; Slurry Pipelines.

Safety Precaution Blue

Reclaimed Water Systems.

Purple

Sanitary Sewer Systems.

Safety Green

\* \* \* \* \*

#### UNACCEPTABLE FACILITY LOCATION COLORS:

Florescent Pink – This shall be considered a land surveyor marking.

~~White~~ This shall be reserved for excavator markings.

- B. Excavators and Underground Facility Owners shall consider use of the color fluorescent pink to be indicative of land survey markings and not location markings for any underground facility. Surveyors may place aerial photogrammetric markings (targets) using the color white, such markings shall have a fluorescent pink dot not less than two inches in diameter placed within one foot of any edge of the aerial marking. Fluorescent pink shall not be used by excavators or underground facility owners.
- C. Excavators making markings pursuant to Arizona Revised Statute Ann. § 40-360.22.C are required to use the color white.
- D. Colors similar to those listed in R14-2-106.A through R14-2-106.C shall not be used for other than their listed purpose.